

Senate Bill No. 264

CHAPTER 430

An act to amend Sections 100250 and 100251 of the Public Utilities Code, and to add Section 7262.3 to the Revenue and Taxation Code, relating to taxation.

[Approved by Governor October 10, 2007. Filed with
Secretary of State October 10, 2007.]

LEGISLATIVE COUNSEL'S DIGEST

SB 264, Alquist. Transactions and use taxes: Santa Clara Valley Transportation Authority.

The Transactions and Use Tax Law authorizes various local governmental entities, subject to certain limitations and approval requirements, to levy transactions and use taxes as special taxes in accordance with the procedures and requirements set forth in that law. The Santa Clara Valley Transportation Authority Act provides for the establishment of the Santa Clara Valley Transportation Authority with a specified membership. Upon approval of a specified proposition by a vote of the electorate, the authority would be authorized to impose a retail transactions and use tax for specified purposes.

This bill would revise that act to conform to the voter approval requirements set forth in the California Constitution. This bill would also authorize the Santa Clara Valley Transportation Authority to adopt an ordinance to impose a transactions and use tax, for specified purposes, if certain conditions are met.

The bill makes legislative findings and declarations as to the necessity of a special statute.

The people of the State of California do enact as follows:

SECTION 1. Section 100250 of the Public Utilities Code is amended to read:

100250. A retail transactions and use tax ordinance may be adopted by the board in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, provided that two-thirds of the electors voting on the measure vote to authorize its enactment at a special election called for that purpose by the board.

SEC. 2. Section 100251 of the Public Utilities Code is amended to read:

100251. Any transactions and use tax ordinance adopted shall be operative in accordance with Section 7265 of the Revenue and Taxation Code.

SEC. 3. Section 7262.3 is added to the Revenue and Taxation Code, to read:

7262.3. Notwithstanding any other provision of law, the Santa Clara Valley Transportation Authority may adopt an ordinance imposing a transactions and use tax at a rate of 0.125 percent, provided that all other provisions of this part and Article 9 (commencing with Section 100250) of Chapter 5 of Part 12 of the Public Utilities Code are complied with by the Santa Clara Valley Transportation Authority.

SEC. 4. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique fiscal pressures experienced by the Santa Clara Valley Transportation Authority in providing essential public transit services.